NEAR EAST/AFRICA BRANCH OFFICE OF REPORTS AND ESTIMATES CENTRAL INTELLIGENCE AGENCY

WORKING PAPER

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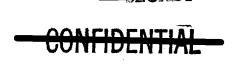
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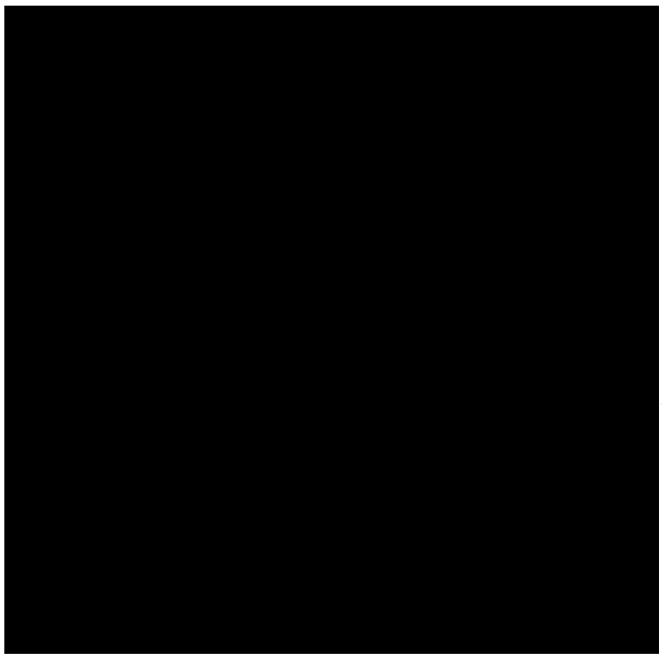
NEAR EAST/AFRICA BRANCH

INTELLIGENCE SUMMARY

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For Week Ending 15 June 1949

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RAN

Busy days at the palace: The increasingly active role which the Shah is playing in Iranian affairs was illustrated by two developments of the week: (1) the introduction in the Majlis of a bill calling for the return of royal domains given up by the late Reza Shah at the time of his abdication; and (2) the presentation of an Iranian request for US military equipment. The attempt to regain control of the royal domains is immediately the more significant of the two moves; although the revenues from the royal domains would nominally be allocated to charities sponsored by Princess Ashraf, the money would probably be used to the political advantage of the dynasty. Moreover, property now being claimed by the Qashqais and other tribes in current litigation would be involved in the proposed transfer of ownership, and there is a possibility that the move might endanger the recently improved relations between the tribes and the government. The request for direct US military aid, transmitted unenthusiastically by Prime Minister Saed, appear to represent the fruition of several months of preparation on the part of the Shah and Chief of Staff Razmara. If so, the proposal suffers from a surprising lack of realism. Although the gratuitous provision of enough equipment for an army of 200,000 as well as for 100,000 tribesmen has been requested, the Shah has failed to make budgetary provisions for the maintenance of such a greatly expanded military force, possibly expecting that the US could be induced to bear these costs as well.

INDIA-PAKISTAN

Mission to Moscow: The announcement that Prime Minister Ltaquat Ali Khan had accepted an invitation to visit Moscow was acclaimed in the Karachi press last week as evidence of Pakistan's increasing importance and independence of activity in world affairs. In New Delhi and Kabul, however, it caused considerable concern. The Indians displayed pique and expressed the fear that Liaquat would be walking into a trap from which he might not be able to extricate himself; the Afghans, for their part, indicated that Liaquat might discuss the relations of the USSR, Afghanistan, and Pakistan to the detriment of the latter two countries. Whatever further motives the Prime Minister may have had, his acceptance was at least motivated in part by a desire to: (1) prove to his enemies within Pakistan that he is not a tool of the British; (2) indicate to India, the US, and the UK that Pakistan can be pushed only so far in the Kashmir affair: (3) force Afghanistan to call a halt to its vilification program against Pakistan over the frontier tribesmen: (4) take the edge off Nehru's visit to the US next fall; and (5) unsettle the South Asian political situation sufficiently to prove that Pakistan is not just the little brother of India. Although British officials have suggested that Liaquat's

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announcement was only a propaganda gesoure, it is probable that he actually will make the trip to Moscow, it only to stimulate the psychological reactions which his announcement has undoubtedly set in motion. He is not, however, labely to allow Pakistan to be entangled in the Soviet web.

two-man delegation to New Beils in the fortorn hope that it might obtain a statement of India's Kashmir trace conditions which was sufficiently precise and reasonable to warrant taking up with Pakistan. This final effort to obtain agreement on UNCIP's truce proposals is unlikely to be successful, and the courses which argin then be open to the Commission—a new effort to bring the two governments together in a joint meeting, or a proposal that the matter be turned over to arbitration—appear foredoomed to rejection. Thus it is probable that the Commission will soon feel compelled to confess its failure and refer the matter back to the Security Council. Of the Commission, only the Czech representative has shown signs of wanting to favor the prolongation of simost certainly useless negotiations.

COTAL WHEEP

The expected shakens in the economic artains posts of the Turkish Cabinet has now taken place. Barine has been removed from the Ministry of Commerce and Economy, where for some a month he has borne the brunt of coping with Turkey's economic problems, and has replaced Sumer in the recently created and equally thankless position of Minister for Coordinating Foreign Aid--a job which evidently requires more cooperation from other ministries than is easily forthcoming. The new Minister of Commerce and Economy, Dicleti inherits most of the headaches with which his predecessor was plagued-notably the high cost of living and the high price of Turkey's exportable surpluses. He will be relieved of part of the administrative burden, however by the creation of a new ministry to supervise the development of state industries.

Augointment of General Gurman as the new Chief of Staff has brought forward expressions of disappointment, if not dismay, from US military officials in Turkey. The appointment appears to be based principally upon sentority, for the general has been in sent-concurrity on the Supreme War Council, away from command responsibilities, for several years.



SECORT

The recent death of a Turkish courier on a train from Moscow remains unexplained, although the Turkish Government has now examined the body and the pouch which the courier was carrying to Ankara. At this stage, the Turks are understandably suspicious of the Soviet explanation that the courier shot himself.

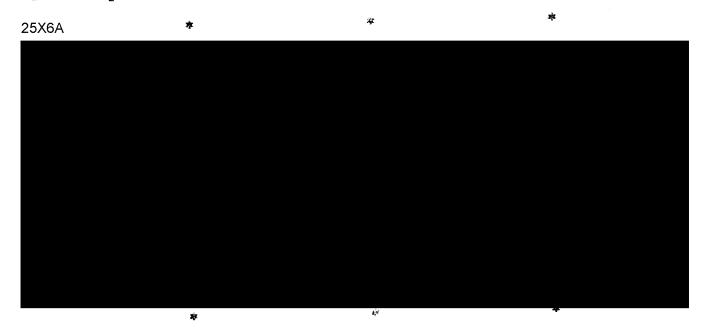
Turkey has restricted the movements of Eastern European diplomatic representatives to Istanbul and Ankara, unless special permission has been obtained by them for travel elsewhere. The restriction balances similar regulations long enforced by Communist governments and may be directly inspired by the recent Soviet attempt—thwarted by the Turks—to kidnap a Soviet diplomat's wife who last summer did not accompany her husband back to Moscow.

Pressure for the lifting of the UN embargo on arms shipments to the Middle East has greatly increased, after six months of semi-peace in that area. The UK is especially anxious to fulfill its overdue commit ments to Egypt, Iraq, and Jordan, countries for which it feels a particular responsibility. The question will probably come before the Security Council, which will undoubtedly modify the ban to some extent. While it is unlikely that the release of small arms to the Middle East states for internal security purposes would have dangerous consequences, a precipitate and complete lifting of the present embargo might touch off an arms race which would seriously jeopardize the uneasy calm prevailing in the area.

Presidential elections are to be held in Syria on 25 June, according to Zaim's decree of 8 June. The decree also authorizes the new President to submit a constitution for the approval of the people or Parliament within four months. In Syria's first popular vote for President, no surprises are anticipated. That Zaim will win is a foregone conclusion. An orderly election was pre-arranged by a decree of 29 May which applicated political parties; at the same time, anti-Zaim political leaders were imprisoned. An earlier decree suspended opposition newspapers. Zaim claims that Syria's democracy is a feeble infant; he states that he is prepared to guide its faltering steps by first clearing the path of obstacles. While he professes to champion the growth

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of democracy, it is apparent that the "democracy" he has in mind bears little resemblance to the term as understood by the West. In fact the "democracy" Zaim is nurturing is beginning to look strikingly like a dictatorship.



The animosity between Abdullah Tel and King Abdullah was brought to a head last week by Abdullah Tel's dismissal as Governor-General of Arab Jerusalem. He was replaced by Jordan's present Justice Minister, Fellah Pasha Medadha, who will retain his cabinet post while performing his new duties in Jerusalem. Abdullah Tel refused a "face-saving" appointment as Military Attache to London. It is possible that Abdullah Tel's popularity with the Palestinian Arabs and his stiff attitude toward the Jews were responsible for his dismissal. King Abdullah has followed a more conciliatory policy toward the Israelis, and this new move may presage further concessions by Jordan in the Jerusalem area.

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If recent reports of increased Soviet troop movements near the Azerbaijan border are not fabrications to gain US support for strengthening the Iranian Army, they would appear to herald the approach of another phase of the war of nerves which the Soviet radio, after several weeks of silence, is again conducting in earnest.

<u>Prime Minister Saed has declared his intention</u> of limiting the movement of the Soviet Ambassador and of closing the Soviet hospital and Soviet cultural institutes by making their operations contingent upon the establishment of similar Iranian institutions in the USSR. The implementation of these plans will require considerable Iranian determination, since the Soviets would undoubtedly view any action on the subject as provocative.

The recent visits to Tehran of such Moslem dignitaries as the Prime Minister of Pakistan, a member of the Afghan royal family, and the Regent of Iraq suggest that Iran is taking a lead in discussions of a regional security pact. It seems most unlikely, however, that any conclusive action in this direction would be taken without some kind of guarantee from the US and UK.

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